MOTION FOR SUSPENSION OF RULE 272

THE MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY; THE MINISTER OF STATE OF THE MINISTRY OF EARTH SCIENCE; THE MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE; THE MINISTER OF STATE IN THE MINISTRY OF PERSONAL, PUBLIC GRIEVANCES AND PENSIONS; AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI PRITHVIRAJ CHAVAN): Sir, I beg to move:

"That the Rule 272 of the Rules of Procedure and Conduct of Business in the Council of States in its application to consideration of the Demands for Grants of the related Ministries/Departments for 2009-10 by Department-related Standing Committees be suspended".

SHRI SITARAM YECHURY (West Bengal): Sir, I want to say one thing. We will accept your request for suspending the Rule for this year only if the Government gives an assurance that for the rest of its tenure it is not going to come with a similar suspension motion.

SHRI PRITHVIRAJ CHAVAN: Absolutely, Sir. This is not the intention of the Government to do away with the examination of demands by the Standing Committees. Only because this year we could not constitute the Standing Committees in time, we are seeking their permission for this.

The question was put and the motion was adopted.

DISCUSSION ON THE WORKING OF THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI A. RAJA); Sir, I express my gratitude to the hon. Members who participated in the discussion on the working of the Ministry of Communications and Information Technology. The deliberations were fruitful.

Discussions in Parliament reveal not only certain facts but also policies, objective and goal of the Government in a particular sector. I recall the words of Justice V.R. Krishna Iyer. He said, "Parliament is a grand inquest of the nation, the great auditor and the Ombudsman .of the Executive, the final arbitrator, policy monitor, and destiny designer of the country." I do believe that the discussions held here must coincide with the definition that has been offered by Justice V.R. Krishna Iyer, As a Minister I do agree with what has been observed in the same Parliament by our mentor, Dr. C.N. Annadurai, when he was a Member of this House. He said, 'the highest is not above the law, the humblest is not beneath the law. With this in mind, I want to convince those who made arguments, of course, some allegations, before Parliament on the working of the Ministry.

Sir, when I was entrusted with the task of running this Ministry in May, 2007, I wanted to learn

quickly and rapidly the developments that were taking place. I do feel that I have done something in the Ministry which subject me to clarifications and criticism that have been offered, including those made by the Leader of the Opposition.

I am very glad that the Leader of Opposition for whom I have high regards as one of the top legal brains in the country is sitting here, not just for taking part in the discussion. I am also happy because my senior colleague, Mr. Arun Shourie, is present here whose presence is *inter alia* connected with the arguments going to be put forward by me while convincing other Members of Parliament.

Sir, I think that some of the arguments that have been made by the Members of Parliament were free from party prejudices and predilection and some were prejudices of political entity. I want to weigh both without any prejudice in my mind.

Sir, I had three Departments when I assumed this charge and it is still with me. Let me deal with them one by one. Since May, 2007, when I took charge as the Minister of Communications and Information Technology, some of the major achievements of this Government by making proactive policy decision are these.

As the hon, Members are aware, the Department of Posts is the largest postal network in the world which provides postal facilities within the reach of every citizen in the country at affordable prices. These include delivery of letters, e-mail, small savings, money remittances, provisions of life insurance and other core functions.

Sir, second to the Railways, the Postal Department is one of the biggest Department in the world having huge infrastructure. Due to rapid development in other areas of information technology and other private courier services, the profit which was earned by the Postal Department has dwindled. It is quite natural that to withstand in a competitive environment, something afresh must be done. The Government has anticipated new developments in this sector and it is well aware that the Postal Department cannot be used exclusively for commercial interests.

Of course, it has its own commitment towards the people, those who are living at the lowest ebb of the society in the remote areas. The service of the Postal Department cannot be ignored and even it cannot be equated with the other private courier services. Of course, through the non-Plan expenditure, every year, more than Rs.1000 crores or even more, is being compensated by the Government of India through the Finance Ministry as supplementary because the postal network has to be kept alive. But, that does not mean that the Government is totally inactive or inert in having a re-look at the working style of the Postal Department. For the first time, we took the decision. We have 1,55,035 post offices in the country. These 1,55,035 post offices, if at all the business is coming down, cannot be closed in one stance. So, we wanted to switch over the business to some other areas; we wanted to treat the local post offices in the remote areas as the outlet of the nationalised banks; we wanted to sell the gold coins with quality on a par with the Indian standards; and, we

wanted to have other services. We are even talking with private banks like ICICI Bank. If they want to avail of this infrastructure, revenue can be accrued for this Department and we can come out of the deficiency which is being incurred now, up to the tune of Rs.1000 crore and more. Sir, one of the major initiatives that has been ...*(Interruptions)*...

श्री उपसभापति : देखिए, आप इन्हें बोलने दीजिए ...(**व्यवधान**)...

SHRI A. RAJA: No, no. It will be used. Some incentives will be given.

MR. DEPUTY CHAIRMAN: Mr. Madhu, please don't interrupt the Minister in between. It derails his thoughts.

SHRI A. RAJA: Sir, we can start savings bank account on behalf of the State Bank of India. We will operate the savings account. Out of which, some percentage can be given as commission. That's all. We are not going to privatise the Postal Department. How the deficiency, the loss incurred by the Department, can be managed is the point. That's all. Even we are not intending giving profits through privatisation. It is not the question of privatisation at all. The point is, how the infrastructure available in every nook and corner of the country can be used when the other technology is coming into the Department. We have to withstand the competitive environment. That is the motive of the Government.

Sir, the major initiatives have taken place in the Department. In the Eleventh Plan, we announced that major post offices in the country will be computerised. Accordingly, we have allotted Rs.2700 crores which has been earmarked for IT induction in the postal operations. Out of this fund, so far 9684 post offices have already been computerised till March 2009. About 1274 post offices have been linked through a web area network and a National Data Centre has been set up for this purpose.

Sir, I am continuing in the same Ministry from the last Government. The last Government announced an innovative scheme called Project ARROW. In a competitive world, not only the content of the article is important but the visibility of the article must also be impressive. So, in all the post offices running in the rural areas at the taluka level, block level or in the old buildings, we wanted to give them business model and give them a good visibility with the new equipment and IT instruments. So, we launched Project ARROW. Last year, we modernised 500 post offices across the country selectively in all the States without any deficiency by spending more than Rs.80 crores. This year, we have earmarked another 500 post offices which will be taken up under this project.

Sir, coming to the queries raised by the hon. Members, great concern was expressed that new post offices are not at all being opened. As I stated, every year, the Department is incurring a loss of Rs.1000 crores or more. But, the Government has committed that within the Eleventh Plan, we are going to start 3000 post offices across the country for which papers have been mooted and these are

being discussed in the Finance Ministry. I do hope the commitment that has been made by the Finance Ministry for the Eleventh Five Year Plan that 3000 post offices are going to be opened in the country soon will be fulfilled. For constraint, of time, I am not able to go by each and every name of the Member, Of course, some of the Members spoke about the recruitment in the Postal Department. Deep concern was expressed with regard to the extra departmental workers now renamed as Grameen Dak Sewak working in the rural areas and it was suggested that they should be regularised and new post offices should be opened. When the post offices are opened, those persons who are living in the locality, they must be appointed. These are the queries which have been raised by the Members of Parliament.

Mr. Jha raised the question that no recruitment has taken place in the Department of Posts since 1984. Sir, it is known to all that the recruitment of the new services is being governed by the Department of Personnel and Training. Only one third of the vacancies can be filled up according to the Department of Personnel and Training. Without prior approval of the Department of Personnel and Training and without the prior approval of the Ministry of Finance, we cannot fill up all the vacancies which are available. However, efforts are being made, and we are in touch with the Finance Ministry. The Postal Department should not be compared with other departments. This service is very essentially needed for the people and the rule that has been made generally for other departments, we cannot take shelter under that rule in the Department of Posts. The discussion is on, and I do hope that the exemption will be obtained from the Ministry of Finance, and in the course of time, we will appoint all the postmen against all the vacancies wherever it is essential.

He has raised another question that compassionate appointment cases must be considered. It is universally accepted in the country that only 5 per cent of direct recruitment vacancies can be filled up on compassionate ground. Even if direct recruitment is there, we cannot defeat the direct recruitment simply because some people are waiting on the basis of compassionate ground. The recruitment in the other areas cannot be curtailed according to the guidelines issued by the Department of Personnel and Training, and we will ensure that the 5 per cent that has been earmarked on compassionate ground will be strictly followed, the seniority will be strictly followed. I can give this assurance to you. Similarly, he raised another question that the Assured Career Progression scheme has not been applied to the Department of Posts. The Assured Career Progression scheme has been implemented, consequent upon the recommendations of the Fifth Pay Commission, modified Assured Career Progression scheme, as recommended by the Sixth Pay Commission, is also under implementation. GDS are holding civil posts, but they have not analysed this aspect. This was the allegation made by him. GDS, Mail Deliver, those who are working in the villages, according to our census, are spending only five hours or four hours or three hours; legal

impediments are there. When a person is working for five hours or four hours per day, he cannot be regularised. We appointed one-man Committee under the Chairmanship of Mr. Natarajanmurthy, who had worked in the Postal Department earlier, to find out how their betterment can be ensured. He made a recommendation that some incentives must be given to the persons who are working in the extra departmental post offices. It is seriously considered by the Finance Ministry, and I hope, the Finance Ministry will clear this proposal. Thereafter, we will give some emoluments and some incentives will attract these people.

Sir, Mr. Nayak spoke about his constituency. ...*(Interruptions)*...

SHRI SITARAM YECHURY (West Bengal): The GDS people work for eight hours!

SHRI A. RAJA: Maybe, they work for 8 hours. Sometimes, they work for 4 hours and 3 hours. The Supreme Court judgment is there which says that the regularisation cannot be done unless they are being recruited as the full-time workers. That is the judgment.

SHRI SITARAM YECHURY: But they have been working for many years.

SHRI A. RAJA: I am fully concerned with them. I will be the first person to support the cause of the GDS. At the same time, this subject is not exclusively within my domain. For this purpose, I have to interact with the Ministry of Finance.

PROF. P. J. KURIEN (Kerala) : Increase their emoluments.

SHRI SITARAM YECHURY: That can be done.

SHRI A. RAJA: For that purpose, I appointed one-man Committee under the chairmanship of Natarajan Murthy, who was an officer in the Postal Department. He knew all the nitty-gritty of the department. He recommended some emoluments and incentives. It is being actively considered by my Ministry and the Finance Ministry. I will support the cause of the GDS.

SHRI SITARAM YECHURY: If the Finance Ministry is creating a problem, please elicit our support. We are with you. Please get their emoluments increased.

SHRI A. RAJA: We will do it.

PROF. P. J. KURIEN: This is a very genuine problem. You prevail upon the Finance Ministry and get it done.

SHRI A. RAJA: Sir, some of the suggestions have been made by Mr. Hassan for strengthening the rural postal network. The suggestions are well taken. Similarly, I have already submitted to the House that the density of the post office is not commensurate with the norm of opening a post office. That has been highlighted by Mr. Chandan Mitra. I do agree with the concern expressed by him so far as the post office is concerned. Of course, these norms are being implemented wherever it is

possible. Because of the financial crunch we are not able to open post offices wherever the people need them. It has been referred to the Finance Ministry. They accepted that in the Eleventh Five Year Plan, 3,000 post offices will be, definitely, opened. Before the end of the Eleventh Five Year Plan, I assure you, the post offices will be established, wherever required, as per the recommendations made by the Finance Ministry once it is cleared.

Similarly, Mr. Sudarsana Natichappan, said that the bonus on NSS it has been reduced. You may be aware, Sir, that the rate of interest, whoever be the person, whichever be the Department, so far as Government Departments are concerned, on the deposits, on the Government money, will be decided by the Finance Ministry. So, the Finance Ministry fixed the rate of interest on deposits, under the Post Office Savings Accounts, as 3.5 per cent. We are pursuing the Finance Ministry to consider, if possible, giving them, in the course of time, more incentives. Similarly, the commission of small saving agents has been reduced. These are also being governed by the Ministry of Finance.

On the revival of postal services in the rural areas, Mr. Rajniti Prasad has also spoken. Most of the Members are deeply concerned about the establishment of rural post offices. I assure this House that the persons who are. ...*(Interruptions)*...

SHRI RAJNITI PRASAD (Bihar) : Sir, my name is not 'Ranjit Prasad! It is 'Rajniti Prasad'!

PROF. P. J. KURIEN: His name is Rajniti Prasad!

SHRI A. RAJA: I am sorry, Sir.

SHRI SITARAM YECHURY: 'Rajniti' means 'polities'; 'Political Prasad'!

SHRI A. RAJA: Sir, even some of the names I will leave. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: He never wants to use 'rajniti'!

SHRI A. RAJA: So far as the Postal Department is concerned, this does not mean that the Member's voice is being marginalised or is going to be ignored by the Ministry, or by the Minister. I will take a complete microscopic study done, by going through all the speeches which have been delivered here. So far as the Postal Department is concerned, we launched the 'Project Arrow'; we computerised the ten thousand post offices for which a huge amount has been given by this Government.

Now, I come to the Department of I.T. Sir, in the Department of information Technology, the credit of this Government stands on the new schemes which have been announced. Broadly, I can speak about the two schemes. In the Eleventh Five Year Plan, the National E-governance

Programme that has been announced by the Prime Minister of India, in the last Government, and it is being implemented by spending more than Rs.6,000 crores. In the first phase, we are going to create State Data Centres in every State Headquarter. Then, the District Headquarter will be connected; then, the Block Centres will be connected by e-governance, the complete e-governance, and, ultimately, across the country, one lakh Common Service Centres are going to be opened. Out of these, 40,000 Centres have already been opened across the country. The motto of the National E-governance Programme is that the administration should be paperless. We want that within a couple of years, up to the taluka level, the paperless Government must be ensured. After that, we want to create these Common Service Centres where the land records can be obtained by the villagers, those who are living in the village itself. Rail tickets and air tickets, all family details, and even the other departmental needs of the people will be put in the Common Service Centres so that a person need not have to travel to the District Headquarters or the Taluka Headquarters. Whatever be the need of the documents, including the revenue records, family cards, railway ticket booking and all other bookings will be held within the Common Service Centres. Then, it will be connected with the block level, the State level and the district level. The motto of the Government is to ensure that within two years, in the district level, there should be a paperless Government. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Mr. Madhu, let him reply.

SHRI A. RAJA: Yes, that is our motto. We are attending to that. Of course, we are lagging behind a little bit in the National E-governance Programme because it is not exclusively and directly implemented by the Central Government. We are depending upon the State Governments. The persons who are going to run the Common Service Centres with private participation have to be identified and it is being taken up with the State Governments through due process. Some of the State Governments are pro-active. There is a little bit of delay on the part of some of the State Governments – I am not accusing any State Government because of want of personnel and other things necessary to establish the Common Service Centres.

Sir, another important scheme, that is, the semi-conductor policy, has been announced by the Department of Information Technology. India is largely dependent on foreign countries, so far as manufacturing hardwares is concerned. Of course, even in the case of a small handset of mobile, most of the parts are being imported from abroad, assembled here and then sold here. So, the Government wants to have its own electronic hardware manufacturing hubs. We have announced the Special Economic Zones. As Members are aware, in the case of Special Economic Zones, 20 per cent incentives, tax holidays, etc., have already been announced. Notwithstanding the SEZs which have been given income-tax concessions and other incentives, the Government wants an exclusive policy for semi-conductor and it was announced by the previous Government. The previous

Government received proposals worth Rs.1,56,000 crores. This Government, as soon as I took over charge of this Ministry again, within a week, cleared and gave in-principle clearance to 8-10 projects worth more than Rs.75,000 crore. These projects are going to be implemented very soon. So, this is a major policy decision that has been taken by the Government in the Department of Information Technology.

Sir, while I mention the major achievements, I must also go through the Members' needs also. Of course, I was surprised when Mr. Jha mentioned it. I am thankful to Mr, Jha. He mooted a very important point. I do feel very sorry that our own Annual Report was not put on the website. This has been highlighted by him. I thank him for the reference that he had made. I had immediately asked the officers to put the Annual Report on the website. With regard to the other areas, he pointed out that the allocation by the DoIT for masses, gender, SC, ST and manpower development had remained unchanged over the years. I checked it. Yes, it is true that the allocation for Plan schemes under this domain is unchanged. The reason behind this is that we have other Plan schemes for manpower development and the Department has many other institutions like C-DoT, DOEACC, etc., which run manpower development programmes. We are going to align with the State Governments on how manpower development programmes can be implemented at the State level since we do feel handicapped in implementing this directly. We know that the students who get degrees from the universities and other institutions are not able to get jobs because once they leave the institutions there occurs a gap in the case of the rural people, the SCs, the STs and the OBCs and they are not able to update their skills. As they are not able to update their skills, they are not able to get jobs. This is a very important point. We will take up these issues with the State Governments in course time.

Similarly, Mr. Hassan has mentioned about the national knowledge network and e-grandhalaya. Of course, it is unusual to ask this question. When the Budget is increased, Members must be happy. Here, it is otherwise. Last year, it was Rs.100 crores. This year, it is Rs.600 crores. He asks: Why was there a hike without any justification? The hike is because the Technical Advisory Committee has recommended the design document of NKM. The high level committee approved the proposal of the TAG for a new project which costs Rs.5,990 crores.

In order to complete the new project in a phased manner, Rs. 600 crores have been given by the Government. There is another important area. Of course, I missed to mention the achievements of the Government. We are deeply concerned about cyber crimes. We amended the Information Technology Act, 2000 keeping in mind its greater significance. The number of cyber crimes was going up. Of course, our personnel, including the police officers were not competent to deal with and investigate cyber crimes. They were not aware under what provision of the law those people had to be booked. There were some grey areas in the Information Technology Act, 2000 and there were some issues which were not at all addressed during those days. Then there was no mention of many

other crimes. As soon as the crimes are identified, those crimes must be investigated and accordingly corresponding provisions should necessarily be made. The Government felt the necessity. Accordingly, in our last tenure, we amended the law. We strengthened the Indian Computer Emergency Response Team in the Department of Information Technology and together with industry associations like the Confederation of Indian Industry, NASSCOM, Data Security Council of India and software players like Microsoft has developed a website exclusively for this purpose. Various types of materials like posters, handouts, stickers, calendars, guidelines and animation videos on creating awareness aimed at school children, teachers and parents have been designed and hosted on the websites. Important issues have been addressed. This question was put by Shri Shantaram Laxman Naik. He also raised one important point that software should be developed in all regional languages. That is very important. He stated that software must be developed in all regional languages, without any discrimination. We are glad to announce that already 16 CDs have been made available in Hindi, Tamil, Telugu, Marathi, Urdu, Punjabi, Oriya, Kannada, Assamese, Malayalam, Gujarati, Sanskrit, Bodo, Dogri, Maithili and Nepali. Software CDs are available in all these 16 languages. In the case of balance six official languages, it will be done by September, 2009. So far as Bangla is concerned, of course, it is ready for launch. Sir, these are all the major achievements.

Some of the hon. Members expressed their concern about the loss in business of C-DoT. Of course, C-DoT was started way back in the year 1996 to design, develop and transfer the technology of digital switching system to indigenous manufacturing. It was started with good intentions but after liberalisation and globalisation, there is no preference for indigenous developed technologies. Therefore, C-DoT has suffered a lot because of globalisation and liberalisation. We wanted C-DoT to enter into the business of technology consultancy and attention on products of national importance. We wanted it to work as application service provider to international companies. I do hope that some business will be brought back to the basket of C-DoT and it will be revived in due course of time.

Now I come to telecom. Concerns were expressed with regard to the performance of BSNL and MTNL. Sir, due to constraint of time, I would like to summarise it broadly. Two allegations have been made against the performance of BSNL and MTNL. One is, its market share is coming down and the subscriber base is not picking up.

Sir, before going into the details of business modalities of the BSNL and MTNL, I must submit that the BSNL and the MTNL are pubic sector units, and PSUs have their own impediments and handicaps on some of the areas. We cannot tell ourselves that the BSNL and the MTNL should be treated on a par with Airtel, Vodafone, that is, exclusively for commercial uses. The BSNL is the only

operator which is serving 5,65,000 villages in the country, through its mobile operations, or, at least, the Village Panchayats with its telephone network. This is the only PSU connecting all the people, including those living in the hilly areas and in the rural areas. And, we have our own difficulties on certain issues, which I can partially share with the Members of Parliament. For example, when we talk of expansion of the BSNL, it is a corporate affair. Whether it is for value added services, or, for other small works, we have to float tenders; we have to consult the Ministry of Finance; and we have to go to the Management Board. It is only after we go through all these processes, that we can install any capacity building. Now, Sir, when my predecessor was there in office, a tender was floated for covering more than 23 million villages, which would fulfil the anticipated growth and anticipated needs for the next five years. Unfortunately, a company, which had participated in the tender, went to the Court. Accordingly, at the time of issuance of Advance Purchase Order, the company could obtain a stay on the entire tendering process for more than one-and-a-half years. What I want to impress upon the House is that if for one-and-a-half years, the expansion work is totally halted, for reasons best known to the person, who filed the case, and the Court of law, how can we expand the system in the rural areas and in the urban areas where the competitive atmosphere is too high and sensitive? Similarly, in other areas also, we have the security reasons. Some Chinese companies are selling their products to the private operators. In critical areas, — my predecessor is here, and he must be aware of these things – especially, in the border areas, we have the advice from the Home Ministry not to go in for Chinese companies." In the absence of Chinese companies, we have to bargain and negotiate exclusively with one or two companies, which might have quoted higher rates as compared to the prices which the private operators would have quoted in other tenders. So, the negotiation process will take a long time. We cannot interfere directly with the PSUs. So, all these days, the administrative delays, inevitable, delays, causes some sort of jeopardised approach on the part of the BSNL and the MTNL. However, some hon. Members, who spoke the other day, said that when the BSNL was earning a revenue of Rs.1000-1500 crores in the past, its revenue has now shrunk to Rs.100 crores. I do not know from where this figure of Rs.100 crores has been obtained. In spite of being in a competitive environment, we earn around Rs.500 crores and more. I do admit that there are some difficulties. These difficulties and the legal points must be appraised very carefully. It is not a question of direct equation with other companies. At the same time, the services being rendered by the BSNL and the MTNL cannot be ignored.

Sir, I do not want to go into issues like how many telephone connections are there, what our share is, etc. Now, on the telecom side, I want to deal with an area where ...*(Interruptions)*...

1.00 P.M.

SHRI M. VENKAIAH NAIDU (Karnataka): Before you go to the other point, several hon. Members have raised about congestion and call drop. People get irritated when they have to call between 11 o' clock and 1 o' clock.

SHRI A. RAJA: I will come to that. This problem is not universal. Please bear with me. This may be there in some areas in Delhi, or, in the thickly populated areas. ...*(Interruptions)*... Sir, I will come to you. ...*(Interruptions)*... Broadly, I share with you the difficulties being faced by BSNL. But, in spite of that, believe me, the quality of service is being maintained and monitored by the TRAI. According to the TRAI report, the quality of service of BSNL and MTNL is not universally bad. They have maintained the quality of service. But there are various reasons; I had a specific reason.

SHRI RAJIV PRATAP RUDY (Bihar): Universally, not; nationally, yes.

SHRI A. RAJA: Universally means not in the sense of. ...*(Interruptions)*... It is not common. I am saying it in that sense.

एक माननीय सदस्य : ऐज़ कंज्यूमर, हम लोगों को लग रहा है कि सर्विस ही खराब है।

SHRI M. VENKAIAH NA1DU: Could you yield for a second?

SHRI A. RAJA: Sure.

SHRI M. VENKAIAH NAIDU: To help ourselves; not for criticism.

SHRI A. RAJA: If, at all, it is criticism, I will take it in a positive sense, Sir, not in the negative sense.

SHRI M. VENKAIAH NAIDU: Mr. Deputy Chairman, Sir, three or four years back I had raised this issue in the House. The then Minister had told us that there weren't enough towers and so the congestion was increasing. Just now you said that it was in cities like Delhi. No. In our own city of Chennai, you try to call between 11 o'clock to one on any day any time from the BSNL, you will find congestion, you will find call-drop; sometimes you get really irritated. I agree with you that BSNL has been doing a good job. There is no second opinion on that. I don't think anybody here has a second opinion on that. Yes, we all support you on BSNL. At the same time, you know we are consumers; if the facility is not good, you switch over to other people, like you shift from Air India to other airlines. So, keep this in mind as to how to remove that congestion, how to ensure that call-drop isn't there. The third point is, they don't say 'congestion'; they say, "यह नम्बर गलत है"! These are the points. Just take note of them.

SHRI A. RAJA: Sir, in Delhi, we are also facing another peculiar problem. The Department of Urban Development and the Department of Home do not permit us to install more towers in certain areas due to various reasons.

SHRI T. K. RANGARAJAN (Tamil Nadu): Are private operators being permitted to do that?

SHRI A. RAJA: No. They are also not being permitted. These guidelines have been issued recently. For example, in South Avenue, we cannot erect any tower.

MR. DEPUTY CHAIRMAN: Hon. Members, there will be no lunch hour today. This is just for information.

SHRI A. RAJA: Of course, Sir, this point is well-taken. At the same time, I would like to say that in some areas in Bihar, we have come to know, towers are being manned by BSNL men. We checked a specific case and we found that the tower was being operated with the help of a diesel engine since there was no electricity. As we know, some of the areas in Bihar do not have electricity. Some times, due to the scarcity of diesel, these towers do not get activated, for small durations of half-an-hour or an hour. A person who travels across the tower will find out that when the tower is not activated, there are no signals. Those signals are not there, not because of BSNL's fault, but just because the diesei has not been put there at the right time. This happens in certain areas. However, the concern of the ...*(Interruptions)*...

[THE VICE-CHAIRMAN (PROF. P. J. KURIEN) in the Chair.]

I just wanted to share this incident with the House. There are other reasons too. The main reason is that we have not been able to expand our capacity because of court cases. ...*(Interruptions)* Yes, I am admitting that it is because of court cases. I must share this with the House; earlier all BTS and other instruments were procured through a centralised tender, one tender for the whole country. For the first time, I have divided it into four or five zones. Now, zonal-wise tenders will take place. If a person has a grievance in one zone in regard to a tender, let it be there but the whole process should not come to a halt. So, we invited another tender for 93 million telephone connections which will meet the requirements for another four or five years. Negotiations are going on. The APO is going to be issued shortly. Once these 93 million connections are installed, I hope there will be no problem in the BSNL commercial activity for the next four years and the telephone connections will be upgraded.

SHRI T. K. RANGARAJAN: But why is it happening in Chennai? There is so much of congestion!

SHRI A. RAJA: Sir, if there is anything specific, please let me know. I will look into it personally.

Sir, now I turn to spectrum.

DR. V. MAITREYAN (Tamil Nadu): Sir, before that, there is the issue of proposed privatisation of the BSNL He has not touched that, ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Let him finish.

DR. V. MAITREYAN: I am raising this issue because he has completed his reply on BSNL. ...*(Interruptions)*...

SHRI A. RAJA: Of course, he is right. The BSNL is a Mini-Ratna Company. We wanted to have a new corporate style. I have already assured whether it is going to be privatised to the trade-union leaders who met me in this regard. I assured them that it is not the question of disinvestment or privatisation of the BSNL. At the same time, some sort of new modalities can be inculcated in the business model of the BSNL, if it is possible, we can go for a 10 per cent or 20 per cent IPO. The preferential shares can be given to those workers who are working in the BSNL. It was only a healthy decision which was held there. I met directly the leaders of trade-unions to find out some ways so that the BSNL can be upgraded with commercial values without losing its own entity as a PSU. So, discussions were held there. That is all. Nothing has happened. No...*(Interruptions)*...

DR. V. MAITREYAN: Mr. Minister, your Secretary has gone on record mentioning that 10 per cent disinvestment has been listed. Only the timeframe should be decided by the Finance Ministry.

SHRI A. RAJA: Where is the question of 'has been listed'? By saying, 'has been listed', you are referring to 'past perfect'. 'Has been' is 'past perfect'. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT (West Bengal): Then, why is your Secretary saying it in the Press? ...*(Interruptions)*... It has been reported in the Press that 10 per cent disinvestment ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): This cannot be allowed. ...*(Interruptions)*.. Brindaji, please take your seat. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: How is it that he is allowed to make such statements in the Press? ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Now, listen; you address the Chair.

SHRI A. RAJA: I am standing before you in Parliament. The Minister is saying it in Parliament; why are you afraid of the Secretaries and all? ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Can you stop him from doing such things? ...*(Interruptions)*... He has given that statement in the Press.

SHRI A. RAJA: I will take care of it. ...*(Interruptions)*... That was the categorical assurance given by me to the trade-union leaders. Your own CPM trade-union leader met me. ...*(Interruptions)*... He met me.

SHRIMATI BRINDA KARAT: That is why, Sir, we are surprised. Following that, the Secretary says 10 per cent disinvestment in the BSNL. ...*(Interruptions)*... Who has given the Secretary the authority to speak? ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): See, no cross-discussion should be there between you both. ...*(Interruptions)*...

DR. V. MAITREYAN: Sir, we are seeking certain clarifications. ...*(Interruptions)*... We are seeking some important clarifications.

SHRI A. RAJA: Sir, I have already clarified it. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Clarifications can be sought after the Minister's reply. ...(Interruption)... I will allow you. ...*(Interruptions)*... I will allow you also, after the Minister's reply. ...*(Interruptions)*... Now, Mr. Minister.

SHRI A. RAJA: Sir, now I come to spectrum. Sir, no Minister in the Telecom Ministry has met such a new era which invited more criticism in the past. Why? Is it something different with Raja?

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): You only address the Chair. ...*(Interruptions)*... No comments, please. I will allow you after the Minister's reply.

SHRI A. RAJA: Sir, I want to recall my memory, when Shri Rajeev Chandrasekhar wrote a letter, in the year 2007, when the spectrum issues were discussed in the Ministry, if my memory is correct, I quote, "I will be the first person to think over the auction of spectrum provided the laws and rules framed in this Ministry and approved by the Cabinet permit." Am I correct? ...*(Interruptions)*... What is meant by spectrum? I apprised the media, 1 apprised those people in the industry who are interested to know as to what is meant by 1G, what is meant by 2G and what is meant by 3G. Even the All India Radio is being operated with a spectrum; even police wireless is being operated with a spectrum. All the State Governments are paying money as 'spectrum charge' for the police wireless, 1G. See, spectrum cannot be equated in one slot, 1G, 2G, 3G. Sir, 3G spectrum cannot be compared with 2G, 2G spectrum cannot be compared with 1G.

Sir, let me now brief about the chronological events that happened in the Ministry so far as the spectrum process is concerned. When the mobile telephone came to India, the Government of India used to give licence and the spectrum on auction process. The existing operators who got some of the areas out of the auction route, they got licence and spectrum way-back in 1993. They failed miserably on two scores, which are very essential and important on two scores, which are very essential and important; one is, they were not able to give the real tele-density in the country as expected by the Government; the second is, the auction price was not paid by the operators on the ground that the business was not viable. So, the business is not viable, tele-density was not picking up; hence, a Group of Ministers was formed. Then, they came out with National Telecom Policy,

1999. What we achieved today, irrespective of the political entity; we worked as a Council of Ministers in the Government headed by Shri Atal Behari Vajpateeji where the National Telecom Policy, 1999 came into existence.

Sir, not for political reasons, I must record in the House that because of the National Telecom Policy, 1999, the telecommunication revolution is happening now. There is no hesitation or reservation for me to accept it. The National Telecom Policy, 1999 was approved by the Cabinet. As I told the other day, when the Leader of the Opposition was also in the Cabinet, National Telecom Policy, 1999 says, 'The auction route failed on two scores—-tele-density and revenue for the Government; both have miserably failed.' The National Telecom Policy, 1999 was devised for two mottos; one is the affordable cost, the second is enhancing the tele-density. So, they decided to bring a new guidelines by virtue of National Telecom Policy, 1999, National Telecom Policy, was clearly says, 'The number of operators will be decided every three years.' How many operators are going to be in the country would be decided by TRAI. Then, the spectrum charges would be announced periodically by the TRA1. So, the National Telecom Policy, 1999 permitted the industry to go in for the revenue route from the auction route; how much revenue to be collected will be decided by the TRAI. How many operators are going to be permitted? It is with the TRAI. The TRAI, needless to say, is a statutory body.

Sir, that is why I shared with Parliament, no Minister has come across with such contacts because of TRAI recommendations. When I entered into the office, the TRAI recommendations came, of course, three-four months prior, to me. It was ready on my table where the TRAI said, 'There should not be any capping.' In this country, Sir, only for a few operators, four or five, 2G spectrum is available. Somebody wanted to name me, during the formation of the Government, that Raja is Spectrum King! Yes, with all my sincerity, I would like to admit that I am the spectrum king, the first in the country, in the Department; because, I only disclosed how much spectrum was available, and I am the first Minister to put that on the website.

Sir, only 100 MHz of space is available in 2G. When I assumed charge, 300 million telephone connections were there. 300 million telephone connections were being operated only within 30 to 35 MHz. Of course, the remaining 40 MHz was with the Defence. The remaining 20 MHz, invariably, was available in the country. When there is a scarce resource available on your hand, you are permitting only 4 operators. What is the formula devised by them? We will wait to reach a certain subscriber base; as soon as we reach X-million connections, the spectrum is in my armpit, I will give it to you as soon as you reach the subscriber base. Till then, there should be no competition! It is like having only 4 shops in a village. It is saying like, 'Biscuits are there, you eat these biscuits, then you come back to the same shop and do not go to a new shop'! There is no provision for a new shop. Is it a competition? It is not my idea, mooted by Raja in the Ministry.

Fortunately or unfortunately, I got the TRAI recommendations for healthy competition. All right. I went through all the records. Of course, I am a district court lawyer. The arguments that have been advanced by the Supreme Court lawyer, 1 am having high regards; I admit, he is one of the top legal brains in the country. What I wanted to impress upon the House is, as a Minister in the Ministry, I paid my due legal diligence in the issuance of licences, in the issuance of spectrum. What does the law say? All the technologies earlier – one is the cellular mobile, one is the landline; new technologies may come. So, there are several licences before National Telecom Policy, 1999. All these licences were unified into one and it was called in the nomenclature of 'unified access licence'.

So, Unified Access Licence says that you can get one licence, you can operate any technology- you go for landline, you go for CDMA, and you can go to GSM. If at all tomorrow a new technology may come, of course, 3G is going to come, in spite of that there will be no specific or exclusive another licence for the 3G. So, the licence is one. We gave it. As he put it, it was derived by TRAI that Rs. 1650 crore will be the licence fee as prescribed by the TRAI. Sir, the argument seems to be very legitimate and plausible when we are hearing the argument. The argument advanced by the Leader of the Opposition and others is that the price which was quoted in 2001, Rs. 1650 crore for the licence fee, is being kept alive by Raja or by the DoT, still even after the escalation in the other areas. Yes, nobody can say this cloth, which I got in 2001, cannot be available on the same price in 2009. Where is the gap? ...*(Interruptions)*... I am coming. Similarly, about spectrum, the question is very legitimate. ...*(Interruptions)*... I am coming. ...*(Interruptions)*... That is why I am only answering the questions. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Which is the shop, you please tell us. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P J. KURIEN): Be patient, he is trying to explain. ...*(Interruptions)*...

SHRI A. RAJA: I am giving the answer. ...*(Interruptions)*... Sir, all the arguments are here but about one thing I do not attribute motives on the part of the Leader of the Opposition, of course, he levelled his argument on one side. I can't say that wilfully or want only he omitted the other side of the argument. What has been recommended by TRAI is this. Let me quote some of the provisions of the TRAI. Sir, NTP, 1999, para 3.1.1 says, 'the entry of more operators in service area shall be based on the recommendation of the TRAI who will review this as required and not later than every two years.' So, according to these 'two years', the recommendation came to me. 'The cellular mobile operators would be required to pay one time entry fee, the basis of determining the entry fee and the basis for the selection of the additional operators would be recommended by TRAI. Apart from the one time entry fee, the operators would also be required to pay licence fee based on the revenue share'. This is NTP, 1999. How much revenue share you have to collect will be decided by TRAI. What TRAI

recommended was that the entry fee of fourth cellular operator- of course, rightly observed by the Leader of the Opposition - would be what was the amount which was auctioned last time, it will be the entry fee. It further says that the entry fee must be nominal. Since you are going for the revenue share, the TRAI is empowered to give new figures periodically how revenue should be collected more and more. Sir, as I put it earlier, by way of licence fee and spectrum fee having migrated from the auction to the revenue route, we assessed yesterday, it is Rs.68,000 crores putting together which we collected. People are telling that Rs.1 lakh crore is the loss. In 2007-08 alone, the Government earned revenue out of spectrum charge and the licence charge to the tune of Rs.23,000 crores. How? It is based on the subscriber base. I can say in the layman sense that one call, which is being terminated by an operator, will have three paise or four paise, for example, to the Government. When the subscriber base goes up, the revenue will also go up. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: You have increased revenue from this nobody is denying that. You have got Rs.68,000 crores but how does that idea explain or justify the fact that you still kept the cost too low for eight years? So you have not answered your question about the shop. ...*(Interruptions)*...

SHRI A. RAJA: That is why the revenue is being accrued out of this Rs. 1650 crore every year.

SHRIMATI BRINDA KARAT: This is what is going to happen. The subscriber base in any case is going to increase. ...*(Interruptions)*...

SHRI A. RAJA: 'Subscriber' means, it is *inter alia* connected. ...*(Interruptions)*... We are collecting money not only on subscriber base but on licence also. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Mr. Minister, are you yielding to these queries? ...*(Interruptions)*...

SHRI A. RAJA: I will come to you. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Minister, continue please. Mr. Minister, are you yielding to the queries? ...*(Interruptions)*...

DR. CHANDAN MITRA (Nominated): What. ...*(Interruptions)*...

SHRI A. RAJA: I will come to you ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Are you yielding to these queries in between? Tell me.

DR. V. MAITREYAN: The recommendation of Rs. 1650 crore was given to TRAI in 2001. Four months after you took charge you said that the file came to you on TRAI recommendation. That was in 2001. You didn't get a fresh recommendation on TRAI as on 2007.

SHRI A. RAJA: TRAI recommended, 'Go for new operators'. That is my submission. When TRAI gave the recommendation to go for new operators, they did not revise the entry fee on the reason that we are accruing the revenue on the basis of licence fee also.

SHRIMATI BRINDA KARAT: The point that I am making is...

SHRI A. RAJA: I think, I am not able to...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Minister, you finish your speech and then, you give them time. There cannot be an interaction like this. You finish your speech. I will give you time. ...*(Interruptions)*...

SHRI M. VENKAIAH NAIDU: If he is willing to yield and it is a healthy debate and we are eliciting information, that way, it is good for the House.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): If the Minister is yielding, I have no objection.

SHRI M. VENKAIAH NAIDU: Then why is the Chair curtailing it?

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): No, I don't want two to three people putting questions at the same time. If one Member is asking and the Minister is yielding, I have no problem. But I have a problem if two to three people put questions at the same time.

SHRI ARUN SHOURIE (Uttar Pradesh): Mr. Raja has been kind enough to yield and because he has taken my name twice, I may just ask on this very point. Mr. Raja is taking shelter under the TRAI recommendations. So, my questions are specific to that. One is, would he please be prepared to disclose to the House the letters which the Chairman of TRAI wrote to the Secretary, Telecom protesting against the Telecom Department's assertion and the present Minister's assertions that TRAI recommendations were being followed. I know for a fact that these communications were sent and I would be very eager to learn from the Minister whether those documents would be brought to the House in support or in contradiction of what the Minister has just stated that...

SHRI A. RAJA: I will send it to you.

SHRI ARUN SHOURIE: One second. The second point, Sir, what my friend Arun Jaitley and Doctor has asked about is about 2001 recommendation being invoked in 2007 is not being answered. But what Mrs. Karat was just now really asking was not about the subscriber. We all understand about revenue share, but, whether in valuing the spectrum that subscriber base will really affect the current value of that assessment or not. When that has increased 20 fold, then, naturally spectrum becomes exactly the scarce resource which you are mentioning much more valuable and therefore, the question arises whether the Minister would be prepared to take the House into confidence in

regard to the companies allocations to which really created the problem which was Unitech and Swan. Finally, you just now said about the Chinese company and the security advice that was given. You just now said that actually then the decision was not along the border but the objection which the intelligence agency raised on record-whether it is a fact or not, I know it to be a fact but you will confirm it – Intelligence agencies in writing and in the meetings raised the objection that there has been many, many recorded instances in which software and hardware and such things were implanted in them which couid be triggered to paralyse networks and therefore, such equipments should not be allowed to a particular country. I don't know whether this was just after all something which is disrupted in Nasik.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): No, don't go to a speech.

SHRI ARUN SHOURIE: No, one question Sir. He just now said border. If it is disrupted in Nasik where we have an air base, in Pune, in Jamnagar. It is as effective as in Pithoragarh on the border of China. So, how did the Department then disregard the Intelligence agency which is a question which he has to clarify.

SHRI A. RAJA: Sir, I wanted to put it like this. The question is: Whether the building can be given on outright sale, or, keep the deposit at lower level and get high monthly rent. That is the question. Sir, 2001 recommendations say to keep the entry fee nominal. When 2004 recommendations came to go in for new operators, it has suggested revenue-sharing in which percentage has to be high *i.e.,* from 2 per cent to 3 per cent or from 3 per cent to 4 per cent. They did not give any recommendation. To enhance the entry fee, since it has been categorically observed in 2001, we let the entry fee be nominal. The building can be given at lower deposit and you enhance the rent year-after-year. That is the recommendation of the TRAI. So, we went for that and, accordingly, we are collecting money.

But, as I already shared with you, what is the tele-density today? In 2004, when the NTP, 1999, came into existence, it was hardly 7 per cent or 8 per cent. Now, it is 39 per cent. I or this Government cannot take exclusive credit for this. Sir, it is because of NTP, 1999, because of shifting to revenue-sharing mechanism, the tele-density has gone up to 39 per cent today.

Sir, another question came about the spectrum. Licence is this. As I have already said, nobody knows that the spectrum is being given free of cost. Sir, 6.2 spectrum, initially, coupled with the agreement, was signed by the licence-holder. I got the licence by paying Rs. 1650 crores. The moment I got the licence, I am having my own contractual right over 6.2 – initially, it was 4.4 then it could go up to 6.2 – free of cost. There is a perception in the minds of the people and in the media. Of course, my friend, Mr, Maitreyan, has referred the CVC. Sir, all these aspects, whether it is the common man, whether it is the media, or, with due respect to the hon. Members, Members or the officials in the Government, have been kept in their mind. He referred the C.V.C. Of course, I

discussed with the Chief Correspondent and the Chief Editor of two leading national dailies to apprise what is meant by spectrum, what is meant by licence, how the Ministry is working, how the Department is working on the spectrum issue. It took me three hours. Thereafter, they have convinced. It does not mean that I call all the newspapers which have been motivated with some political perception and convince them.

DR. V. MAITREYAN: But, Sir, the C.V.C. was not convinced.

SHRI A. RAJA: Who said that it is not convinced?

DR. V. MAITREYAN: Sir, the C.V.C. itself has gone on record saying that it is not convinced.

SHRI A. RAJA: You are not the Chief of the C.V.C. ...*(Interruptions)*... You are not the C.V.C. ...*(Interruptions)*... No, no. I am not yielding ...*(Interruptions)*...

DR. V. MAITREYAN: Sir, the C.V.C. has gone on record saying that it is not convinced with the clarifications given by the department.

SHRI A. RAJA: It is quite natural. ...*(Interruptions)*...The former Ministers are here. ...*(Interruptions)*...

DR. CHANDAN MITRA: Sir, the High Court has said that the spectrum is sold as cinema tickets.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Minister, you continue.

SHRI A. RAJA: Sir, the hon. Leader of the Opposition has made a point...*(Interruptions)*... Let them be patient. I do not know. A P.I.L. is pending before the court. I am having the details. I know the dates. I know how the P.I.L. is proceeding. I also know that the P.I.L. is going to be heard by September 15. I do not know whether remark made by the Members in the Parliament is either ratio decidendi or arbiter dictum of the judgment. I do not think either any judgment or order has been passed. But, he spoke something. That is why, in legal language, I am submitting to the hon. Leader of the Opposition that I do not know the remarks that have been passed, as alleged by him. Also, I do not know whether the remark made here is either ratio decidendi or arbiter dictum of judgment, I caannot comment upon that. But, I can come to the C.V.C.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): You make your point. Don't worry about that side.

SHRI A. RAJA: I am coming to the C.V.C. Sir, the C.V.C. is a par and parcel of the Government. He is not competent to say whether the C.V.C. is satisfied. He is not the C.V.C. But, I just wanted to mention one thing. The question itself starts like this. It does not mean that I am convincing the C.V.C. from here. I am speaking before Parliament. The question says, 'there are media reports that some licences are selling their equity at high values.' All these speculations, all these questions, whether they are from the C.V.C. or it is from the common man on the streets or whether it is from lawyer or Parliament, with due respect to all, I would say are being emanated from the media. That is

why I wanted to convince the House and not worried about what is happening or what has appeared in the media reports.

Sir, now, I come to the first-come-first-serve policy. Everybody is thinking that the first-come-first-serve policy is a new policy that has been introduced by me. As I submitted before the House, before the Unified Access Service Licence (UASL) was given, there were several licences – for mobile, for landline, for other basic services, like, the internet, etc., etc. So, before the NTP 1999, there were multiple types of licences. All these licences were unified into one by the NDA Government. The vision was correct. Of course, tomorrow, there may be some new technology. All technologies must be brought under one umbrella. So, they put it and the NTP 1999 came into existence. Then, as per the UASL, the first licence was during the NDA Government. After that, if my dates are correct, the licences were issued when Shri Arun Shourie was the Minister. It was, in fact, decided by the then hon. Minister, Shri Arun Shourie, in 2003 that all new UASL would be issued on first-come-first-serve basis and the spectrum will also be allotted in the same manner, subject to the availability. But the precipitation in the mind is that the first-come-first-serve policy has been designed and invented by me. I am not shifting the burden on some other Minister. I am just mentioning the chronological events. The first-come-first-serve policy for the spectrum licence was observed on the file by my predecessor, Shri Arun Shourie; and, thereafter, by Mr. Dayanidhi Maran. Why? I have discussed it with the Law Ministry also. When you recruit a person, there are two options. From commonsense point of view, I am telling you. Say, you have to appoint a Deputy Collector. One option is to go for a competitive exam, that is, open competition, notwithstanding any age, notwithstanding any region, notwithstanding any other thing. You can go as per merit. But in the absence of open competition, the option left is, you go by seniority. That's why my predecessor, Shri Arun Shourie, had imported the first-come-first-serve policy during his tenure. There was nothing wrong in that. ...*(Interruptions)*...

SHRI ARUN SHOURIE: But the point is this. Did I ever change the date like you did? ...*(Interruptions)*... First one date is given, say, 1st October. Then, suddenly, this cut off date is changed to 25th September. ...*(Interruptions)*... There was free for all in the Sanchar Bhawan, my friend. ...(Interruptions) First you give 01st October as the cut off date. Then, all of a sudden, you change it to 25th September. ...*(Interruptions)*... You give me any precedence where such a thing had occurred either in my tenure or anybody else's tenure, including Mr. Dayanidhi's tenure. ...*(Interruptions)*...

SHRI A. RAJA: I am coming to each and everything one by one. ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN (West Bengal): Sir, I think, the basic issue, raised in the House, is not being addressed. ...*(Interruptions)*... If something is being sold at the prices of 2001, in the year 2007, without assuming the velocity of the market. ...*(Interruptions)*... What are you saying? We,

the Members of Parliament, also have. ...*(Interruptions)*... The fact is that the very same material. ...*(Interruptions)*...

SHRI TIRUCHI SIVA (Tamil Nadu): He is not yielding. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): This way, I won't be able to hear anybody. ...*(Interruptions)*... No; no. Please sit down. ...*(Interruptions)*... I am not allowing you. ...*(Interruptions)*... No more interruptions please. ...*(Interruptions)*... Mr. Minister, you please address the Chair. ...*(Interruptions)*... Don't get distracted by any interruption. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Please do that.

SHRI A. RAJA: Right, Sir. I will come to that one by one. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Only what the Minister is saying would go on record.

SHRI A. RAJA: I will come to that one by one. Why are you jumping.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): I told you to please look at the Chair and address the Chair. Why don't you address the Chair? That is the problem.

SHRI A. RAJA: Sir, the issue of first-cum-first-serve is very important.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): That is correct. But address the Chair.

SHRI A. RAJA: Sir, the first-cum-first serve policy was adopted as soon as we migrated to NTP 1999. I assumed the charge on 16th May, 2007. Just see, till April 5, up to my predecessor, Mr. Dayanidhi Maran's time, right from Arun Shourie's time, how many licences were issued? Fifty-one licences were issued on the first-cum-first serve basis. It has been observed in each and every file, in all 51 files. Just 20 days previous to my taking charge, invariably all Ministers, invariably all officers concerned, observed categorically on the file that this licence was being issued on first-cum-first-serve basis. What is wrong with Raja? So far as the rule is concerned, it was not devised by me. Even I am not attributing any motive on the part of the Ministers. That is why I justified it in other manner. There are two options; either go for competitive exam or for the employment seniority.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Minister, I am telling you to look at the Chair and address it. You don't have to look back. ...*(Interruptions)*... No; no; please, please ...*(Interruptions)*.

SHRI TAPAN KUMAR SEN: *

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): That will not go on record. ...*(Interruptions)*... That will not go on record. I will allow you in the end.

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* Not recorded.

SHRI A. RAJA: Sir, my sincere submission is, licences were issued on first-cum-first-serve basis on the same rate, just ten days prior to my assumption of the charge. They were issued on the same rate in 2001. Just 15 days prior to my taking charge, 51 licences were issued in all; but no question was asked against them. Had it been asked, Parliament could have thought over it, and, if necessary, a Group of Ministers could have been appointed to see whether it was possible or not. However, as a lawyer, I am fully satisfied with the legal measures that had been taken by the NDA Government. I am standing here as a Cabinet Minister in the UPA Government. That is different. But as a lawyer, I applied my mind. Sir, I am coming again to 25th September. Sir, the TRAI recommendation says, 'there should be no capping; you issue as many licences which are needed by the country,' On 25th September, we issued a Press Note saying that 'those who are having the intention to apply for the Telecom, they can apply.' At that time, neither the Minister nor the Secretary of the Ministry or any other officer in the Ministry could foresee that such a huge number of applications would come. When we issued the Press Note on 25th September for inviting new applications, there were some pending applications also. The TRAI recommendations came in the Ministry on 25h September. In other words, I can say, the moment I got the TRAI recommendation asking for going for new operators, they filed applications. The applications were received. Even an interpretation can be given. Of course, the PIL is pending in the High Court. An interpretation can be offered why the Department has received these applications. That is a different matter. That is a matter of argument before the Court. What I wanted to impress upon the Parliament is, why we had chosen 25 September. Three hundred applications cannot be processed, cannot be given licences. Suppose we have to issue three hundred licences, even three hundred people may not be eligible. There could be twenty or twenty-five licences in a circle. Even twenty-five is too high a figure for this country. So, we wanted to have a reasonable restriction. Now, how can we demarcate it? The reasonable restriction is, demarcate the applications originally pending before calling new applications. These applications were pending before the call for new applications was made by the Press Note. All right, the Press Note was issued with due diligence. I may submit before the House that the issuance of new licences, dual technology and the allotment of new spectrum were challenged, before it was given, by the Cellular Operators Association of India. The moment they came to know that the Ministry is going to give new operators the spectrum, the Cellular Operators Association of India, of which Airtel, Aircel, Vodafone, Idea, etc., are members, filed a case in the TDSAT saying that no new licence should be given, no new technology should be given and no spectrum should be allotted where the case is filed in the TDSAT.

The Solicitor General of India appeared before the TDSAT, which is headed by a retired Judge of the Supreme Court, and said that these people wanted to curtail healthy competition; these people wanted to maintain a cartel; this is the TRAI recommendation; this is the policy of the Government;

this is the policy of NTP, 1999, and so, there should not be any stay. Of course, there was a stay for ten days. For ten days there was a stay, which was given by the Court orally, saying that no licenses should be issued, no spectrum should be allotted. After hearing the argument, TDSAT said, no stay can be granted; it is policy of the Government; let them go. Then they filed an appeal in the Delhi High Court. The Delhi High Court heard the matter including whether the date, 25th September, was correct or not. The Delhi High Court took the decision taken by the Government as correct. The only point I wanted to personally share with my learned friends was whether as a Minister of the Telecom Department I showed due diligence in choosing the date of 25th September. Sometimes I get disturbed when am told where is transparency, I maintained utmost transparency in the Ministry. How? I issued a Press Release; whether it is first-come-first-serve policy or how licences are to be issued. The discretion if, at all, exercised by the DoT, the Department of Telecom is not a Government discretion, as observed by the judges. Judges observed in one case that discretion exercised by the Executive or the Judiciary at the lower level, should not be considered to be Government discretion. This Press Release speaks much. The Department issued a Press Release on 10th January. Where is the question of concealing facts or something else? The Press Release says, "In the light of the Unified Access License Service guidelines issued on 14th December, 2005 – undoubtedly, in the Government headed by the NDA. ...*(Interruptions)*...

DR. V. MAITREYAN: NDA was not there in 2005; it was Dayanidhi Maran. ...*(Interruptions)*...

SHRI A. RAJA: I amend it; I amend it. The guidelines by the Department regarding number of licenses to service area a reference was made to TRAI on 13.04.2007. The TRAI, on 28.08.2007, recommended that no cap be placed on the number of access service providers in any service area. The Government accepted this recommendation of TRAI. Government means, after deliberations the Telecom Commission also, where the Telecom Commission is being represented by Secretary (Finance), Secretary (Industry) and other Secretaries. Hon. Prime Minister also emphasized on increased competition while inaugurating India Telecom, 2007. Accordingly, DoT has decided to issue letter of intent to all the eligible applicants on the date of application who applied up to 25.09.2007. Now, what law says, and even Article 14 of the Constitution, as the Leader of the Opposition is aware, is that the classification going to be done by the State must be reasonable and not class legislation. What has been prohibited by the Constitution is class legislation, not the reasonable classification. This is a reasonable classification, according to us, that has been deliberated upon in this Ministry. Thereafter, nothing was done surreptitiously or in a stealthy manner. We issued this Press note. It says, 'UAS license authorises a license to roll out a telecom access service using any digital technology which includes wire line, wireless, GSM, CDMA services. They can also provide internet telephony. For this, UAS license has to obtain another license, that is,

wireless operating license". Then, the third paragraph is very important. DoT has been implementing a policy of first-cum-first-serve for grant of UAS licences under which initially an application which is received first will be processed first and, thereafter, if found eligible, will be granted LOI, and then, whosoever complies with conditions of LOI first will be granted UAS license. So, how are we going to give licenses? It is on the basis of first-come-first serve policy. It is there in the Press Note. We have chosen 25th September in the Press Note. My only submission before the Parliament is that neither the cut-off date was imposed by the Ministry nor the policy for giving licences was adopted in a stealthy or secretive manner. Of course, it is challengeable. Anybody could challenge the Press Note. Anybody could challenge the decision of the Government. That is different. What I wanted to impress upon the House is that nothing has been done in a clandestine, surreptitious or stealthy manner. To that extent, I am sure.

SHRI ARUN SHOURIE: You have said that the High Court upheld the change from 1st October to 25th September. Is that correct?

SHRI A. RAJA: Which one?

SHRI ARUN SHOURIE: You have just told us that the High Court ...*(Interruptions)*... My friend Arun Jaitley says that that specific point was quashed by the Court. So, please don't mislead. ...*(Interruptions)*...

SHRI A. RAJA: In one case, the order of the TDSAT has been upheld. Then after a long time, maybe six or seven months, one among the operators, namely, S-Tel, filed another case in the Delhi High Court suppressing the fact that another judgement is there. He got an order that his application should be considered, ignoring the press note. That is why I am telling that press note is challengeable, PIL is pending and cases are pending. ...*(Interruptions)*...

SHRI ARUN SHOURIE: But he is saying that the High Court quashed on it.

SHRI A. RAJA: It is in the COAI matter, There are two cases. Cellular Operators Association of India filed a case in TDSAT - miscellaneous petition for stay. That was appealed to the High Court; that was denied by the High Court for which they preferred a Supreme Court appeal. That is pending. That process is something different. Notwithstanding the Cellular Operators Association of India, another proceeding has been initiated by some other operator suppressing the fact that there is a judgement for which we filed an appeal. That is why I am telling that legal positions are there. I am not a competent person to say what has been done is judicially right or wrong. That is different. Again and again, I wanted to submit before the House whether the due diligence was applied by the Ministry or by the ...*(Interruptions)*...

SHRI ARUN SHOURIE: You have said that High Court approved the change. But Jaitley's

recollection is that High Court quashed that change. Please tell us what is the truth. ...*(Interruptions)*...

SHRI A. RAJA: There are two conflicting judgements. On 25th September, dual technology, additional spectrum and all these issues ..*(Interruptions)*..

SHRI ARUN SHOURIE: Between 1st October to 25th September, you claimed that the High Court had approved it.. ..*(Interruptions)*...

SHRI A. RAJA: There is a judgement both against the Government and in favour of the Government. It is being argued in the Supreme Court. ...*(Interruptions)*...

DR. V. MAITREYAN: Between 1st October to 25th September how many applications were received? You said that first application was considered first. After that subsequent applications were also being considered ...*(Interruptions)*...

SHRI A. RAJA: Sir, our argument is ...*(Interruptions)*... My records are correct. ...*(Interruptions)*... Sir on S-Tel judgement ...*(Interruptions)*...

SHRI ARUN SHOURIE : Sir, it may be a matter of privilege. So, I want to caution the Minister that I have with me the text. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Why don't you raise it after he completes his reply?

SHRI ARUN SHOURIE: The respondent cannot be allowed to change the rules of the game after the game had begun. This is what the Court said in regard to the judgement ...*(Interruptions)*...

SHRI A. RAJA: In one judgement I accept it. ...*(Interruptions)*... But it is being appealed to the Supreme Court, ...*(Interruptions)*...

SHRI ARUN SHOURIE: Mr. Raja, you had said it specifically. I am not against you. I don't want a situation in which we are forced to move the matter of privilege. You said specifically that the change had been approved by the High Court. ...*(Interruptions)*...

SHRI A. RAJA: Not approved by the Court. I never said that this was approved by the High Court. ...*(Interruptions)*...

SHRI ARUN SHOURIE: The High Court said, "No, you cannot change the rule after the game had begun." ...*(Interruptions)*... That was the point. ...*(Interruptions)*...

SHRI A. RAJA: I didn't change the rule. ...*(Interruptions)*... I gave the press note.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Mr. A. Raja., ...*(Interruptions)*...

SHRI A. RAJA: I am not yielding. I will finish it. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Raja, after you finish your speech I will allow hon, Members for clarification. ...*(Interruptions)*...

SHRI A. RAJA: Sir, I admit that there is a judgement. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): You continue with your speech. ...*(Interruptions)*... You say whatever you want to say. ...*(Interruptions)*...

SHRI A. RAJA: Sir, I admit that there is a judgement quashing the order of the Government. That is different. ...*(Interruptions)*...

THE LEADER OF THE OPPOSITION (SHRI ARUN JAITLEY) : Let the hon. Minister finish. Then we have some clarifications. ...*(Interruptions)*..

SHRI A. RAJA: Sir, I have come across that S-Tel filed a case ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): How much time do you want? ...*(Interruptions)*...

SHRI A. RAJA: I need ten minutes.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): After that I will allow clarifications. ...*(Interruptions)*...

SHRI A. RAJA: Sir, S-tel filed a case, it came very recently, and I think, last month only. Sir, I think, the judgment came last month that he challenged that 25th September cut-off date was not correct. It was upheld by the Court that the decision taken by the Government was not correct. It mentioned that we should go for the other applications also. It is being appealed in the High Court. I did not suppress any fact ...*(Interruptions)*.... One other judgment. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Minister, why do you reply to interruptions? You should say what you have to say. Any Member may put a question and you start replying First, finish your speech.

SHRI A. RAJA: Sir, there are conflicting judgments. Proceedings are pending. That is why, I told that PIL is pending. I cannot go beyond the limit that how the judgment will come. If at all, the judgment comes tomorrow, I have to bow rny head. That is different. As a lawyer, I know that. ...*(Interruptions)*... Sir, my only submission is. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Please, look at the Chair. You are looking back at every Member. Please, address the Chair.

SHRI A. RAJA: Sir, what I wanted to say is that the procedure contemplated for first-come-first-serve has been followed right from 2004 invariably by all the Ministers. This justifies that no other alternative is available to the Government. 25th September also is not a surreptitious act. We have not done anything stealthily. The Press Note was given. It was opposed. After six months or one year, some one has filed a case. The judgment came against the Government wherein other references were made, and TDSAT and the other Court where all these cases, like dual technology spectrum, were upheld. That has also been challenged by the COAI. So, cases are pending in the

High Court and the Supreme Court. Notwithstanding the proceedings in the Courts, what I wanted to say is that in issuance of licence, in issuance of spectrum, we followed the rule. There is no departure as per the earlier records available in the Ministry. We paid due attention to due diligence in terms of spectrum, in terms licence. I hope that the questions put by hon. Members have broadly been answered by me. If at all, some questions have been left out, I will write directly to the Members. With these words, I conclude.

SHRI ARUN JAITLEY: Sir, the hon. Minister has answered the debate at length. And, he has gone into various issues which were of some considerable importance. The core issue was neither the Postal Department nor the IT Department. We are grateful to him that he has gone into the issue at length - that the TRAI said, "Don't cap. Give it to as many as possible. There must be revenue sharing." The policy of first-come-first-serve is an old one. We have heard this indefinitely. But, as the hon. Member pointed out, there was one core question, and that one core question has not been answered. That one core question was whether when in 2007, without capping, you decided by 25tn September or 1st October – I am not into the arbitrariness of the date also at the moment - to give additional licences and you shortlisted some 9-odd people who had to be given licences. I am not even on the figure. For that licence plus spectrum, 4.4 MHz or 6.2 MHz, how much should the Government have charged in 2007? That is the only question today. And, the whole nation wants to know whether that charge, which the Government has taken for that licence plus spectrum, of Rs.1650 crores, represents the fair value which the Government should have got as on that date. Sir, I am constrained to observe that if no answer, or no satisfactory answer, is being given, then we are entitled to presume that no answer could have been given. And, the reason being, first, the Minister rightly posed a question that the cost of a shirt in 2001 was different and in 2007, it had to be different. Therefore, either the inflation index or the net present value from 2001 to be brought to 2007, should the Government not have considered, even if it did not want an auction, to improve upon the 2001 value in 2007 when this licence plus spectrun was being valued? Secondly, does the Minister now feel after the event, now that we have all the information available, that some of the recipients of these licences at Rs. 1,650 crore, immediately upon receiving the licence, availed the FDI policy in the telecom sector, and, off loaded 50 to 74 per cent of their shares to foreign collaborators, and, for that purpose, the valuation overnight changed from Rs. 1,650 crores to $ 2 billion, which is roughly Rs. 9,000 crores. Today, is he convinced that Rs. 1,650 crore price was under-valued?

Mr. Arun Shourie referred to the point, and, asked a question, if there is a correspondence from TRAI saying, "our recommendation has not been followed", and, even when the TRAI said, don't cap, and issue fresh licences, did the TRAI, at the same time, say - and, I am reading the sentence – "the entry fee as it exists today is, in fact, a result of a price discovered through a market-based mechanism applicable for the grant of licence to the fourth cellular operator. In today's dynamism

and unprecedented growth of the telecom sector, the entry ,fee determined then, that is, 2001, is also not the realistic price for obtaining a licence; perhaps it needs to be reassessed through a market mechanism." ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Don't interrupt. You can reply later. ...*(Interruptions)*...

SHRI ARUN JAITLEY: Therefore, the TRAI says, don't cap; but not the 2001 price, determine it by a market mechanism. You determine the 2001 on NPV of 2007. The evidence came the very next day when within days of receiving the licences, 50 to 74 per cent shares were off loaded and the valuation discovered was not Rs. 1,650 but $ 2 billion. Today, is the Minister convinced that this Rs. 1,650 crore value was grossly undervalued. That is the core question, and, I am afraid that on this question, no satisfactory reply is coming.

DR. V. MAITREYAN: Sir, let us also seek the clarifications, then, the Minister can reply. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Okay. ...*(Interruptions)*... Mr. Raja, you can reply at the end. Shri Sitaram Yechury. ...*(Interruptions)*... Please don't resort to speeches. Just seek clarification.

SHRI SITARAM YECHURY: Sir, only due to this, I am not even proposing to repeat what the hon. Leader of Opposition has said. I am not going into that.

My only point is that it was sold at Rs. 1,650 crore, but after that the off loading was done by two companies to the tune of 50 to 74 per cent of their holdings, for an amount close to Rs. 10,000 crore. Now, this discrepancy is what has been suspected by all of us as a scam. What was that? The Minister will have to answer all of us about it. Either there was a genuine reason for them to price it so low, in which case it is a matter of omission, not commission, made by somebody, and, Sir, under the Indian Penal Code, both the acts of omission or commission, are acts of corruption. So, if it was an act of omission and they had put it at Rs. 1,650 crore; that has to be explained. If it was not an omission, ex-post, looking back, when Rs. 10,000 crores could be made by off loading only 50 to 74 per cent, of what they were holding, then there was commission. Now, whether there was an act of omission, or, an act of commission, or, both, in each case, this is corruption. That aspect has to be addressed.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Now, Mr. Maitreyan. Please seek only clarification.

DR. V. MAITREYAN: Sir, there are two questions involved. One is with regard to the licence fee of Rs. 1,650 crore or more, which the Leader of Opposition, Shri Arun Jaitley has asked. Second is with regard to 'first-come, first-serve' policy, which the Government pursued. Sir, I. want to know from the Minister the criteria for selection of the companies. As far as quality is concerned, were

those companies experienced in the telecom sector? They were all real-estate companies. They had no experience whatsoever in the field of telecom sector. So, it is just like that I start a letter-pad company, get the licence, and, transfer it to somebody. So, whether the factors like quality, past-experience and performance of the company in the field during the last decade, were taken into consideration. And, if these factors were not taken into consideration, then, who is accountable?

SHRI RAJEEV CHANDRASEKHAR (Karnataka): Sir, up to 2001, all 2-G licences were given through a process of tender. Mr. Minister mentioned my letter to him, When I first raised the issue of spectrum in 2007, the Minister responded saying, "this is consistent with the existing Government policy". I think, the most important question that Parliament needs to know is, at what stage this very simple process of tendering became this first-come-first-serve and why? Who made this recommendation and what was behind it? My second question is, will you now accept that there is a need to make a reference to the regulator for a new pricing mechanism for spectrum because the crux of the issue is spectrum is valuable? The price of Rs. 1650 crores is not an acceptable price for the spectrum? Will you, at least, now make a commitment to the Parliament that you will now make a reference to TRAI *suo motu* to fix a new price for spectrum?

SHRIMATI BRINDA KARAT: My only point is, considering the gravity of the issues which have come, concerning the loss to the exchequer, the estimates ranges from rupees sixty thousand crores to one lakh crores on this one issue, there has been a demand that there should be an impartial inquiry into this entire incident. We have been demanding a JPC also on it, Sir. What I would like to know from the Minister is, this demand, which is being made in both the Houses of Parliament, will it be considered?

श्री अवतार सिंह करीमपुरी (उत्तर प्रदेश) : सर, मैं आदरणीय मंत्री जी से यह जानना चाहता हूं कि जो ग्राम डाक सेवक हैं, उनकी डिमांड बहुत समय से pending पड़ी है। यूपीए ने अपने मैनिफैस्टो में यह commitment किया था कि हम उनके लिए आने वाले बजट में प्रावधान करेंगे, लेकिन न तो बजट में उनके लिए प्रावधान हुआ है और न ही आदरणीय मंत्री जी ने इसके बारे में कुछ कहा। मैं यह जानना चाहूंगा कि गोपीनाथ कमेटी की जो रिपोर्ट है, जिसमें उन्होंने पे स्केल के बारे में recommend किया है, उसको लागू करने के बारे में आप विचार करेंगे, क्योंकि पोस्टल डिपार्टमेंट में village level पर इस सर्विस को मजबूत करने के काम में डाक सेवकों का बहुत बड़ा योगदान है? इसके बारे में मंत्री जी कृपया बताएं।

DR. CHANDAN MITRA : Sir, my question is very short and simple. It is a follow-up of what Dr. Maitreyan has asked. I would like to know from the Minister whether any process of due diligence was conducted before the allotment of first-come-first-serve spectrum to certain companies and whether the ownership pattern of these companies, that were allotted, is known. And, is it true that

there are certain real estate companies from Tamil Nadu which took large shares in the companies that were allotted the spectrum and, therefore, were the beneficiaries when the spectrum was sold to a Singapore-based company at 5-6 times of the value? ...*(Interruptions)*... Will the Minister please clarify the ownership pattern of the original allottee of the first-come-first-serve pattern?

श्री प्रभात झा (मध्य प्रदेश) : उपसभाध्यक्ष महोदय, मुझे खुशी है कि मैंने चर्चा के दौरान communication and information technology के बारे में जो कुछ भी तथ्य उजागर किए थे, उन्हें मंत्री जी ने स्वीकार किया है। ...(**व्यवधान**)...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): No, no, you ask the question.

श्री प्रभात झा : सर, मेरी कुछ भ्रातियां हैं, उन्हें तो दूर करना पड़ेगा न। ...(**व्यवधान**)...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): No, no. if you have questions, you ask. Otherwise, no.

श्री प्रभात झा : सर, उन्हें मेरे confusion को दूर करना होगा न। मैं आपको confusion तो बताऊं।

उपसभाध्यक्ष (प्रो. पी.जे. कुरियन) : ठीक है, आप जल्दी बताइए।

श्री प्रभात झा : अगर आप जल्दी में हैं, तो मैं बैठ जाता हूं।

उपसभाध्यक्ष (प्रो. पी.जे. कुरियन) : ठीक है। Yes Minister.

SHRI TAPAN KUMAR SEN: Sir, I want to ask one question.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): No, no.

SHRI TAPAN KUMAR SEN: Why Sir?

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): People have already asked from your party. ...*(Interruptions)*... Please take your seat.

SHRI TAPAN KUMAR SEN: Please let me ask, Sir. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): No, no. Not at all. ...*(Interruptions)*...

SHRI SITARAM YECHURY: Sir, he is a trade union leader.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): No more speakers. ...*(Interruptions)*... I have allowed two speakers from your party. ...(Interruptions) Let me be fair. ...*(Interruptions)*...

SHRI SITARAM YECHURY: Thank you very much for that, Sir. ...*(Interruptions)*... I am only saying that he is a trade union leader. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): I am not allowing all those who spoke. ...*(Interruptions)*... I am not allowing all those who spoke. I have already allowed both of you. I have to be fair.

SHRIMATI BRINDA KARAT: Sir, this is not a party-based question. Clarifications cannot be party-based clarifications. He was in the trade union meeting. He has got questions to raise.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): How many should I allow? ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Last point, Sir. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): How many should I allow? ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Brindaji, so many hon. Members are asking, that is my problem. Where do I stop? ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: But he is directly meeting trade unions. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Then every Member has a claim. ...*(Interruptions)*...

SHRI RAJIV PRATAP RUDY: Sir, he initiated the debate. At least, let him ask. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): I said, जल्दी बोलो. He said, 'no' What can I do? ...*(Interruptions)*...

SHRI ARUN JAITLEY: Sir, allow both of them half a minute each. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Since the Leader of the Opposition has intervened, I concede it.

श्री प्रभात झा : डाक-तार विभाग को लेकर जितनी बातें कही गई थीं, इन्होंने उन्हें स्वीकार किया। किसी चीज़ को राजनैतिक रूप में न लेते हुए इन्होंने विभाग की दृष्टि से देखा है, इसके लिए मैं इनको धन्यवाद देता हूं। इन्होंने एक बात बीएसएनएल और एमटीएनएल के बारे में कही, यह मेरी रिपोर्ट नहीं है, यह आपके विभाग की रिपोर्ट है और यह टाइम्स ऑफ इंडिया में कही गई है और मैं इसे पढ़कर सुनाना चाहता हूं, "बीएसएनएल और एमटीएनएल घाटे में है", लेकिन आपने यह कहा कि घाटे में नहीं है। आप यह कैसे कह रहे हैं? आप यह बताइए कि अगर घाटे में नहीं है तो कितने फायदे में है?

उपसभाध्यक्ष (प्रो. पी.जे. कुरियन) : ठीक है, हो गया।

SHRI TAPAN KUMAR SEN : Sir, I am on the non-core questions. On core questions, I join my colleagues. The other non-core questions have not been touched by the hon. Minister in his reply.

One, he told that the BSNL and the MTNL cater to 5,00,000 villages. I really appreciate that. But, at the same time, he has not clarified why then the other private operators are allowed to share the Universal Service Obligation Fund.

Two, and this question was raised during the discussion also, what is the basic reason behind the decrease in the net profit of the BSNL in the current year? In the current year, its net profit has gone down to Rs.104 crore from Rs.3,000 core last year and from Rs.8,000 crore year before last. And why is the BSNL continuing with a huge arrear of revenue collection? What is the reason? What is the basic thing behind that?

Three, a point was raised about Extra Departmental Employees and the Grameen Dak Sevak. ...*(Interruptions)*... That has also not been replied by the hon. Minister.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): He has replied to that. ...*(Interruptions)*... No more questions.

SHRI N.R. GOVINDARAJAR (Tamil Nadu): Sir, I want to know from the hon. Minister. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Please take your seat.

SHRI A. RAJA: Sir, earlier I submitted this before the House and to the Leader of Opposition. What has been categorically recommended by TRAI, I shared it with him and Parliament.

Regarding the portion that was read by the Leader of Opposition, yes, I do admit that that observation is there. Equally true is that other observations are also there. Page 47 of the TRAI recommendation says, "Keeping in view the objective of growth, affordability, penetration of wireless service in semi-urban and rural areas, the Authority is in favour of changing the spectrum fee regime for a new entrant. Opportunity for equal competition has always been one of the prime principles of the Authority in suggesting a regulatory framework in telecom services. ...*(Interruptions)*... One minute. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): No interruptions are permitted. ...*(Interruptions)*... No.

SHRI A. RAJA: "Any differentia! treatment to a new entrant will affect the principle of level-playing field." That is why I submitted this.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Please make your reply brief.

SHRI A. RAJA: Twenty days prior to my career in the Ministry, the licence was issued at the same rate. We deliberated TRAI recommendations and then the recommendations one, two, three and four came into existence. Till 2001, and even 2007, so many recommendations came. The second recommendation of the 2002 says that you increase the subscriber base. Then they are telling that by increasing the subscriber base, it is incumbent upon TRAI to raise the base value, entry fee also. What I submitted before the House is that both the observations are there. ...*(Interruptions)*...

SHRI RAJIV PRATAP RUDY: Sir, he is not talking about the revenue point. ...*(Interruptions)*...

SHRI A. RAJA: See both the recommendations. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Sir, he is not answering the main question. ...*(Interruptions)*...

SHRI A. RAJA: Sir, I cannot question TRAI. It is a statutory body.

DR. V. MAITREYAN: Did you protest that?

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Please, please. ...*(Interruptions)*... Brindaji, please. ...*(Interruptions)*... You say what you have to say. ...*(Interruptions)*... Don't listen to them. (Interruptions) You say what you have to say, ...*(Interruptions)*... You address the Chair and say what you have to say. ...*(Interruptions)*... Don't listen to them. ...*(Interruptions)*...

SHRI A. RAJA: Sir, TRAI is a statutory body. It can give recommendations on its own accord. *Suo motu* recommendations can be given. ...*(Interruptions)*... Sir, this is not the way ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): No interruption please. ...*(Interruptions)*... Only what the Minister says will go on record, ...*(Interruptions)*... You look at the Chair and say what you have to say. ...*(Interruptions)*... Nothing else will go on record.

SHRI A. RAJA: Sir, right from the beginning, I am saying that so far as the recommendations or rules are concerned, the Department never flouted. That's why, I clarified the observation made by the court as well as the hon. Member whether it is ratio decidendi or obiter dictum. No doubt, entry fee must be nominal. That has been contemplated in the TRAI recommendation. It has to be revisited. By whom? TRAI has to revisit. I am not the competent authority. We felt that at the time of the discussion before the issuance of licence. But, it has not been revisited by TRAI. Ten days back, the same licence is issued by the existing operators, namely, Vodafone and others. So, the revenue share has been enhanced in terms of percentage. TRAI has not recommended it. That is why, I am, again and again, submitting before the House that due diligence was taken and revenue was being enhanced out of the licence fee on the spectrum. Not only spectrum, there is a licence fee on the basis of revenue sharing also. Ten per cent is collected on the licence – five per cent for USO and five per cent for the other side. So, ten per cent is being collected. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): No, no. Please. ...*(Interruptions)*... Tiwariji, please. ...*(Interruptions)*...

SHRI A. RAJA: I have not been directed ...*(Interruptions)*... I have not been directed by TRAI to change it. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Has he been directed not to change it? ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Are you yielding to the Leader of Opposition? ...*(Interruptions)*...

SHRI ARUN JAITLEY: If the Minister is so convinced that he is not wrong, is he willing to have a JPC as suggested? ...*(Interruptions)*... You are not answering the question. ...*(Interruptions)*... Are you willing to have a JPC? ...*(Interruptions)*...

SHRI SITARAM YECHURY: I have only one question. If the Minister says there is nothing wrong, why don't we have a JPC? ...*(Interruptions)*...

SHRI A. RAJA: I can't say that. ...*(Interruptions)*...

SHRI ARUN JAITLEY: Is the Minister or the Government willing for a JPC on this subject? ...*(Interruptions)*...

श्री शिवानन्द तिवारी (बिहार) : सर, ...(**व्यवधान**)... इसकी जे.पी.सी. से जांच करवाइए ...(व्यवधान)...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): No. ...*(Interruptions)*... Please, take your seat. ...*(Interruptions)*...

DR. V. MAITREYAN: What is the process of selection of companies? ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Maitreyan, please sit down. ...*(Interruptions)*... If all of you will stand up at once, neither can I hear nor can the Minister. ...*(Interruptions)*...

SHRI A. RAJA; Sir, I would conclude in three minutes. Issuance of licence is in my domain. Issuance of spectrum is in my domain. What I want to submit is that there is no departure from the TRAI recommendation. If you say that TRAI has failed to recommend something or the Ministry has failed to refer it, that is a different matter. ...*(Interruptions)*... They have to give. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Did you study that issue? ...*(Interruptions)*...

SHRI A. RAJA: Sir, I am not yielding, ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN) : Don't look at them. You look at the Chair and say what you have to say. ...*(Interruptions)*...

SHRI A. RAJA: Sir, revisiting the licence fee is in the domain of the TRAI. TRAI can recommend it tomorrow or a day after tomorrow. My apprehension, with all my sincerity to the Parliament, is that even if TRAI recommends for 3G auction, the person who is going to take spectrum on auction, that person or the company is going to be given licence. Even for that, TRAI has not recommended. At least, for 3G, the entry fee must be high. Please accept me. ...*(Interruptions)*... TRAI recommendation for 3G spectrum was that 3G spectrum should be auctioned because it is a value added service. Rice can be given in PDS at subsidised rates, but ghee cannot be given at subsidised rates. TRAI recommended 3G can be auctioned. The operators can be permitted globaly. Not only Indians, but, any global operator can come in for getting the 3G spectrum, but, a licence has to be issued. That is the rule we made. It is a guideline. Even then, the licence fee was not revisited by TRAI. My submission is, if it is revisited by TRAI, the Department will definitely accept it. Coming to the Unitech Swan, Sir, issuance of licence is with me. ...*(Interruptions)*.

SHRIMATI BRINDA KARAT: *

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Nothing except the Minister's statement will go on record.

SHRI A. RAJA: Licence is with me, Spectrum is with me, we followed the rules contemplated for licence and the Spectrum. Having given this, this is the first time, and that is why I submitted before

*Not recorded.

the Parliament that I am the first Minister who travelled the new domain as per the TRAI recommendations ...*(Interruptions)*... No Minister has been compelled to go to the other domain in the absence of the TRAI recommendations. The recommendation of the TRAI says; go for competition. We put it. Having given the spectrum, having given the licence. ...*(Interruptions)*...

DR. V. MAITREYAN: *

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Don't react to that. That is not going on record. Why do you react to that? You address the Chair and say what you want to say.

SHRI A. RAJA: Sir, when Essar got it, they are not in the telecom. The qualification has been prescribed, so far as I am concerned. When I assumed charge, guidelines are there as to what will be the network, what will be the nature of the company, what will be the Indian margin, what will be the percentage, FIB clearance, these are all the issues. It is mentioned in the guidelines. If any breach or any violation is there in the licence conditions, then the Department can be held liable. Coming to the Unitech Swan, I already submitted before the House during the Question Hour that issuance of licence is with me, issuance of spectrum is with me ...*(Interruptions)*... In the past also, whether it is Airtel, Aircel, they diluted their share for huge money. It is already submitted that it is not that the money is going to individual pocket. It is a corporate law. I am not concerned with it. Having issued licence, having issued spectrum, FDI policy immediately will attract. According to the FDI policy, they are doing. I discussed that with the Finance Ministry at my level. I think that I am the first Minister in the Ministry who wrote to the department to deliberate with the Telecom Commission that the equity of sale for three years should not be permitted. There was no condition prior to me. After discussing all these things because this is a new era for us, I have come across this type of FDI policy will enrich some companies. So, I made a law that equity of the sale should be prohibited. Remaining norms under FDI, permit them to go for that. That is all.

SHRI ARUN JAITLEY: We want a JPC. Mr. Minister, will you agree to the appointment of a JPC? ...*(Interruptions)*... Sir, we are completely dissatisfied with the reply of the Minister on this issue. It is a huge monumental scandal. Therefore, we are going to walk out.

(At this stage some Hon. Members left the Chamber.)

SHRI SITARAM YECHURY: We want a JPC. We are not satisfied with the reply of the Minister. We are walking out ...*(Interruptions)*...

(At this stage some Hon. Members left the Chamber.)

श्री शिवानन्द तिवारी : महोदय, मंत्री जी के ...(**व्यवधान**)... भ्रष्टाचार बहुत बढ़ा है और उसकी जांच भी नहीं हो रही है। ...(**व्यवधान**)... यह सरकार पर आक्षेप है ...(**व्यवधान**)...

(तत्पश्चात् कुछ माननीय सदस्य सदन से उठकर चले गए)

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*Not recorded.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Okay. Now, we will take up the Appropriation (No. 3) Bill, 2009. Shri Namo Narain Meena, Please keep quiet. Don't make noise.

GOVERNMENT BILL

The Appropriation (No. 3) Bill, 2009

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAYAN MEENA): Sir, on behalf of my senior colleague, Shri Pranab Mukherjee, I beg to move that the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 2009-10, as passed by the Lok Sabha, be taken into consideration.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Minister, do you want to say Something?

SHRI NAMO NARAIN MEENA : No, Sir.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Now, Shri Vikram Verma.

श्री विक्रम वर्मा (मध्य प्रदेश) : माननीय उपसभाध्यक्ष जी, माननीय मंत्री जी ने इस विनियोग विधेयक के माध्यम से 304 खरब, 32 अरब, 55 करोड़, 88 लाख रुपए की स्वीकृति सदन से चाही है। वैसे तो इसे पास करने या न पास करने से कोई विशेष फर्क नहीं पड़ता, क्योंकि देश में योजनाओं की जो स्थिति है, जिसके लिए सरकार को धन की आवश्यकता होती है, उन योजनाओं की यदि आप देखें तो उनका कार्यान्वयन ठीक से नहीं हो रहा है और इसीलिए उनकी उपयोगिता एक प्रकार से प्राय: कम हो जाती है। बजट को पेश हुए भी लगभग 20 दिन हो गये। इसे 6 जुलाई को पेश किया गया था। देश में एकाध दिन को छोड़कर, जो प्रैस विज्ञप्ति सरकार की तरफ से आई, उसके बाद प्राय: पूरे देश के अंदर एक निराशा का वातावरण है। देश में एक प्रकार का जो आर्थिक विश्वास पैदा होना चाहिए था, उस प्रकार का कोई आर्थिक विश्वास पूरे देश के अंदर पैदा नहीं हो पाया। इसलिए जो उम्मीदें थीं कि कुछ सकारात्मक काम होंगे, आम आदमी को राहत मिल पाएगी, इस प्रकार का कोई संकेत आज तक इस दिशा में नहीं आ पाया है।

अभी शुक्रवार को माननीय वेंकैया जी ने आंध्र प्रदेश सरकार का एक विज्ञापन जो अखबारों में छपा था, वह सदन के पटल पर रखा था, उसके बारे में बताया था। मैं उसके बारे में ज्यादा नहीं कहना चाहता। उसमें आंध्र प्रदेश सरकार ने स्वयं यह बताया था कि वहां किन-किन वस्तुओं के दाम बढ़े हैं। वह अपने आप में इस बात का ज्ञापन है कि किस प्रकार से महंगाई एकदम बढ़ती चली जा रही है। दूसरी तरफ, हम देखते हैं कि सरकार की तरफ से जो बराबर आता है, टीवी पर आ रहा है और समाचार पत्रों में आ रहा है कि महंगाई का रेट माइनस से भी नीचे चला गया है। यानी, दोनों में कहीं समानता नहीं दिखती, क्योंकि एक तरफ तो आंध्र प्रदेश की सरकार स्वयं महंगाई के आंकड़े प्रस्तुत कर रही है। आप बाजार में चले जाएं, आपको महंगाई पता चल जायेगी, लेकिन दूसरी तरफ इस प्रकार की जो बातें हैं, वे कोई विश्वास पैदा करने वाली बातें नहीं हैं। बाजार में चीजों की कमी है। दालें आयात की गईं, लेकिन आज वे आयातित दालें कहां हैं? वे दालें कहां गईं? वह जनता के बीच में नहीं पहुंची। उपभोक्ता को नहीं